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September 8, 2006

Honorable John L. Martin Chair, Blue Ribbon Commission on Solid Waste Management Senate Office 3 State House Station Augusta, Maine 04333

Honorable Robert S. Duchesne Chair, Blue Ribbon Commission on Solid Waste Management Maine House of Representatives 2 State House Station Augusta, Maine 04333

Re: Relevance of antitrust/competitive considerations to the Commission's mandate

Dear Senator Martin and Representative Duchesne:

We understand that the Commission is engaged in a comprehensive review of Maine laws and regulations governing the management and disposal of solid waste, and that you will provide recommendations to the Legislature with regard to appropriate amendments by the end of this year. Given the extensive experience of the Chairs and membership in this field, we are confident that in formulating its recommendations, the Commission will be mindful of considerations affecting competition in relevant markets.

We stand ready to assist the Commission with this aspect of its review, if desired. As the State's chief law enforcement officer, the Attorney General is responsible for enforcing Maine antitrust law, which includes provisions modeled on federal law prohibiting agreements in restraint of trade, monopolization, and mergers or acquisitions that tend to substantially reduce competition. In addition to carrying out his enforcement duties, as a matter of policy, the Attorney General acts whenever possible to protect and promote competition in markets within the State, or of which Maine or any section of the State forms a part.

As the Commission is well aware, the cost of solid waste disposal represents a significant economic burden. Our free enterprise system is founded on the insight that competition in any

marketplace tends to lower costs and improve the quality of goods and services, and there is no reason to suppose that solid waste markets are any exception in this regard. To the extent that competition in Maine's solid waste markets can be protected, or better yet, enhanced, the State's economy as a whole is likely to reap dividends.

In the so-called "Green Report," issued December 31, 2002 and principally authored by consulting economist Dr. Ralph Townsend, with an assist from me, this office and the University's Margaret Chase Smith Center found the solid waste industry in Maine to be in dubious competitive health, and offered a limited proposal to improve upon the status quo we described at that time. If the Commission would like to receive hard copies of the report, please let me know.

Today, almost four years later, it is clear that competition in Maine's solid waste markets has suffered a further significant decline. If it would be useful to you, I can be available to provide an updated perspective at your convenience.

Thank you for your consideration.

Sincerely,

FRANCIS ACKERMAN Assistant Attorney General

FA/gm

cc:

Members of the Blue Ribbon Commission Carla J. Hopkins, Environmental Specialist, DEP Michael Parker, Environmental Specialist III, DEP Dr. Ralph Townsend